



CARNEGIE GROUP YEAR-END REPORT

JANUARY – DECEMBER 2023

- Operating revenues decreased by 12 percent to SEK 3,402 million (3,883).
- Profit before tax decreased by 37 percent to SEK 412 million (652).
- Total assets under management increased by 18 percent to SEK 353 billion (298) at year-end.
- Revenues within Investment Banking & Securities decreased by 23 percent to SEK 1,823 million (2,380).
- Revenues for Private Banking amounted to SEK 829 million (880) and assets under management grew by 25 percent to SEK 223 billion (179).
- Revenues for Asset Management amounted to SEK 604 million (580), an increase of 4 percent, and assets under management amounted to SEK 130 billion SEK (119), an increase of 9 percent.
- Carnegie demonstrates a stable performance despite continued low activity in the stock market, and the fourth quarter shows a slightly better performance thanks to an increased volume of stock market transactions as well as positive development for asset under management.
 - In H2, Carnegie was involved in the two biggest IPOs in the Nordic market and ECM revenues increased by 40 percent in Q4 compared to the same quarter in 2022. FY revenues for Investment Banking decreased compared to the preceding year.
 - Securities showed an upwards trend in H2 with positive performance in nearly all countries in connection with the increase in risk appetite towards the end of the year. FY revenues were affected by the initially weak ECM market.
 - Recurring revenues for Private Banking remained stable during the year. Powerful growth in assets under management was driven partly by the acquisition of the Erik Penser wealth management, corporate finance and Penser Access, November 30th.
 - Asset Management had a strong year with improved performance in terms of revenues and profit for both Carnegie Fonder and Holberg compared to the preceding year.
- Operating expenses decreased to SEK 2,992 million (3,234) primarily as a result of lower personnel expenses related to lower business activity while other expenses moderately increased due to further investments in business development, including non-recurring items.
- The Group's financial position is strong, with persistently good profitability and low exposure to financial risks. The common equity Tier 1 capital ratio and the capital adequacy ratio were both 18.6 percent (19.2).
- The board of directors is proposing a dividend of SEK 300 million.

The Carnegie Group acquired three fund companies in 2022. The comparative figures in the report have been restated to reflect the Group as if Carnegie had owned the acquired entities for the entire period presented.

OPERATING REVENUES

3,402

SEKM

PROFIT BEFORE TAX

412

SEKM

ASSETS UNDER
MANAGEMENT

353

SEKBN

CAPITAL ADEQUACY
RATIO

18.6

PERCENT

“Through our strategy, we are expanding our customer offering and reaching new important customer segments”.

Tony Elofsson, CEO, Carnegie



THE CEO COMMENTS ON THE REPORT

STABILITY AND GROWTH IN A HESITANT MARKET

As an aspect of the long-term growth strategy, we implemented several key initiatives during the year aimed at building up recurring revenues. In parallel, we are focusing on maintaining and reinforcing our leading position in transactions, advisory and research. As we implement our strategy, we are also broadening our client offering and reaching new and important client segments.

Geopolitical instability, rising interest rates and higher inflation continued to impact the market, although the inflation rate gradually slowed and expectations of falling rates strengthened over time. For us at Carnegie, our constant focus is client accessibility, particularly when the market is characterised by uncertainty, and client demand for knowledge is growing. Happily enough, stock market trends in the US and the Nordics were positive in 2023 compared to 2022 and, driven by increased risk appetite, several interesting transactions were completed in the Nordic region, especially towards the end of the year. Carnegie was the adviser for the biggest IPOs, including Norconsult and DOF as well as Rusta, for which Carnegie was the sole financial adviser.

Growth produces stability

Several important initiatives were carried out during the year as an aspect of the growth strategy. In September, Carnegie announced a new business initiative, Montrose by Carnegie, a digital investment platform for individuals active in the stock market. The platform has not yet launched, but there is already significant interest, and many have signed up as potential customers. The platform has not opened yet, but there is already keen interest and many people have signed up as potential clients. Yet another initiative, Carnegie Commissioned Research, was announced in Q3. This is Carnegie's first venture into commissioned research and was inspired by numerous queries from clients and investors. But the most significant event for our business during the year was the acquisition of Erik Penser Bank's securities business, which

contributed to growth in assets under management within Private Banking, an increase of about 80 companies within commissioned research and a Corporate Finance Team who are leaders in smaller transactions, which paves the way to widening our client segment in Investment Banking.

Getting Women On Board

Sustainability continues to be a prioritized area at Carnegie. Throughout the year, we have worked on clarifying our strategy and objectives within the sustainability domain, where our economic, environmental, and social responsibilities are grounded in the Paris Agreement's 1.5-degree goal and the UN's global sustainability goals. One important issue where we see that we can contribute is achieving better gender balance in boards. Through the initiative "Getting Women On Board," we aim to create a broader selection of female board candidates by actively identifying candidates with the right skills and experience for board positions. In this way, we can contribute to gender balance in the board selection process and thus accelerate diversity in Swedish boards.

Thank you for your trust

Nothing is more important to Carnegie than the trust of our clients. And we are driven by the goal of ensuring that our clients are pleased with our efforts on their behalf. I am delighted that we continued to receive high rankings in independent client surveys in the past year. It is naturally an honour to place first in the rankings, but what truly makes us grateful is that our clients continue to demonstrate their high trust in us as advisers and wealth managers. This is what inspires us, day in and day out. We are now looking forward to 2024 with hopes for a more stable, more peaceful world.

Tony Elofsson, President and CEO

SIGNIFICANT EVENTS IN 2023

Organisational changes

Tony Elofsson, CEO as of 17 April 2023

Tony Elofsson took over as President and CEO of Carnegie on 17 April 2023 after Bjorn Jansson announced that he would be stepping down as CEO and transitioning to the role of Senior Partner at Carnegie.

Acquisition of Erik Penser Bank's securities business

On November 30, 2023, Carnegie acquired Erik Penser Bank's wealth management, corporate finance and Penser Access, and as a result, Erik Penser Bank became a shareholder in Carnegie Holding AB.

New directors

Klas Johansson left the Carnegie board of directors last spring and was succeeded by Gustav Axelson. Pia Marions was elected to the board in September, and Jenny Penser was elected to the board in conjunction with the acquisition of Erik Penser Bank's securities business.

New members of Group Management

Head of Sustainability Strategy & Advisory Lena Österberg and Head of Communication & Sustainability Emelie Friberg became members of Carnegie Group Management in April.

Significant engagement

Carnegie Sustainability Award, Nordic

Carnegie presented the Carnegie Sustainability Award on 25 May. This Nordic award is intended to call attention to sustainability factors that generate shareholder value. Novo Nordisk was named the winner in the Large Cap category, AF Gruppen won the Small Cap category and Kempower was recognised as Best Newcomer.

Business Achievement Award, Sweden

Ali Khalil, Saleh Karrani, Shafik Muwanga, and the company Miljonbemanning won the Business Feat of the Year in Sweden in May. Miljonbemanning is a competence company with the goal of making society a better place for all of us.

Entrepreneur of Tomorrow, Sweden

Helios Innovations was named the winner of the Entrepreneurs of Tomorrow competition in November. Helios Innovations has developed a technique that can treat industrial process water on-site using waste heat.

Leader of the Year 2023, Carnegie Fonder

The Leader of the Year 2023 was announced on November 21st. Helena Hedblom, CEO of Epiroc, was named the leader of the year. The award was presented with support from Carnegie Fonder, represented by Andreas Uller on the jury.

Venture Conference, Norway

Carnegie co-hosted Norway's largest conference for venture capital investors, organized by NVCA (the Norwegian Venture Capital Association) and Investinor.

Triple A Award, Denmark

During the year, Carnegie in Denmark awarded its annual scholarship to students with top grades in subjects within finance, such as M&A, analysis, and business economics.

CARNEGIE GROUP

Operating revenues

Consolidated operating revenues amounted to SEK 3,402 million (3,883), a decrease of 12 percent compared to FY 2022. The decrease is attributable mainly to lower activity in the transaction market.

Operating expenses

Operating expenses decreased by SEK 2,992 million (3,234) primarily due to lower personnel expenses related to the subdued business flow, while other expenses moderately increased due to further investments in business development, including non-recurring items.

Profit

Profit for the period was SEK 412 million (652), down 37 percent compared to the preceding year. Profit in the comparison period was reduced by non-recurring costs of SEK 124 million.

Investments

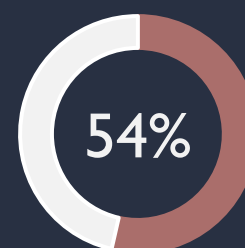
The Group's investments in intangible and tangible fixed assets amounted to 384 million SEK (31) during the period. Carnegie acquired the businesses Erik Penser Wealth Management, Erik Penser Corporate Finance, and the analyst services Penser Access and Penser Future from Erik Penser Bank on November 30. Out of the above investments, 366 million SEK relates to intangible assets consisting of customer relationships, goodwill, and brand attributable to the acquisition. The Group's investments in financial assets amounted to 79 million SEK (277) and primarily represent the fund companies' investments of surplus liquidity in various funds.

1) SEE PAGE 24 FOR SUPPLEMENTARY INFORMATION.

Income statement

SEKm	Jan-Dec	
	2023	2022
Operating income	3,402	3,883
Operating expenses	-2,992	-3,234
Profit before tax	412	652
Asset under management, SEK bn	353	298
Common Equity Tier 1 capital ratio, %	18.6	19.2
Average number of employees	809	787

INVESTMENT BANKING & SECURITIES



Share of operating revenues

Revenues for Investment Banking & Securities (IB&S) amounted to SEK 1,823 million (2,380). Although this is a decrease compared to 2022, the market is showing signs of a positive trend.

Weak activity in the equity capital market transactions market continues to affect the revenue flow for IB&S. Carnegie's Nordic investment banking team holds a unique position in the market and continues to receive top ratings in several independent customer surveys. For the eighth consecutive year, Carnegie has won Prospera's ranking of advisors in Corporate Finance, M&A, and equity market transactions.

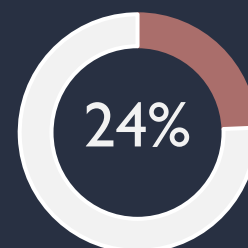
Although transaction activity remains low in the equity market, stock market performance was positive in 2023 compared to 2022 and several interesting transactions were closed in the Nordic region. Carnegie acted as adviser to the largest IPOs in 2023. In Q4, Carnegie executed the IPOs of Norconsult and Rusta, the only IPOs in the Nordics during the quarter. Although advisory revenues related to M&A transactions fell slightly, heightened interest in bond financing and other debt advisory contributed to an increase in debt advisory revenues.

In connection with the acquisition of Erik Penser Bank's securities business, Erik Penser Bank's Corporate Finance team was transferred to Carnegie and adopted the brand name Penser by Carnegie. Penser by Carnegie leads the Swedish market for smaller transactions, which paves the way to widening our client segment in investment banking.

Equity and bond sales as well as research are now included in the Securities unit. The adverse impact of the weak equity market on equity sales revenues persisted, while revenues from bond sales increased. We continue to maintain the leading market position that Carnegie has held for a decade and are ranked highest for both equity sales and research by institutional investors in independent client surveys. The expansion of the client offering with the launch of commissioned research that occurred in October was the biggest event of the year for the Securities unit. This is Carnegie's first venture into commissioned research and was inspired by numerous queries from clients and investors. When it was launched, Carnegie Commissioned Research had about ten companies in its portfolio.

The acquisition of Erik Penser Bank's securities business was another significant event for Securities. Erik Penser's commissioned research services, Penser Access and Penser Future, were integrated with Carnegie's operations in conjunction with the acquisition. This set Carnegie's venture into commissioned research off to a strong start when about 80 new companies were added to the commissioned research portfolio. At the end of the year, Lena Österberg was appointed Global Head of Research and the process of separating the research business into its own business unit commenced.

PRIVATE BANKING



Share of operating revenues

Revenues from Private Banking amounted to SEK 829 million (880) for the period and assets under management were SEK 223 billion (179).

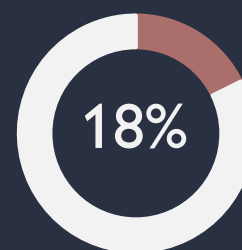
Recurring revenues remained stable throughout the year and assets under management (AuM) increased due to both organic growth and the acquisition of Erik Penser Bank's securities business.

Customers have a continued strong need for active advice and knowledge as the market was very volatile during the year, with significant variation in price development across different sectors, markets, and stocks.

Private Banking was named the winner of the Euromoney Award for Excellence in March and recognised as the best private bank in Sweden, while also winning the Best Digital Solutions category.

Private Banking in Sweden had the pleasure of welcoming new clients and colleagues towards the end of the year through the acquisition of Erik Penser Bank's Wealth Management business.

ASSET MANAGEMENT



Share of operating revenues

Revenues in Asset Management grew by 4 percent to SEK 604 million (580). AuM was SEK 130 billion (119).

The Asset Management business area, including the subsidiaries of Carnegie Fonder and Holberg, demonstrated good performance during the year and remains a key factor in the Group's recurring revenues.

Carnegie Funds solidified its position as one of Sweden's leading asset managers. All* funds delivered a positive return in absolute terms during the year, and the managed capital increased by 9 billion to 94 billion kronor.

In parallel with traditional fund management, Carnegie Fonder is enhancing its institutional offering, Investment Solutions, with access to some of the world's foremost managers of alternative asset classes, such as private equity and venture capital. Throughout the year, Carnegie Fonder has continued to enhance its digital decision support systems to improve the customer experience. For the fourth consecutive year, Carnegie Funds was honored with a first-place ranking in the Prospera survey for Fund Distributors & Selectors.

Holberg demonstrated strong performance in the past year with 22 percent growth in AuM, attributable to return performance and net inflows. AuM amounted to SEK 36 billion. The decision was taken during the year to close the High Yield fund because it had reached its capacity limit and efforts are ongoing to launch a new product in the High Yield segment.

**) Except for Carnegie Bear, a fund intended to generate positive returns when the performance of Nasdaq Stockholm is negative.*

CARNEGIE IS THE FOREMOST FINANCIAL ADVISER AND ASSET MANAGER IN THE NORDICS.

WE BRING INVESTORS TOGETHER WITH ENTREPRENEURS
AND COMPANIES TO ENABLE CLIENTS, OWNERS AND
SOCIETY TO GROW SUSTAINABLY.

OUR PURPOSE

We enable companies,
capital and communities to
grow sustainably.

OUR CLIENTS

We work with companies,
their owners, institutions
and individuals.

Investment Banking & Securities

Investment Banking offers professional advisory in mergers and acquisitions (M&A) and equity capital market (ECM) transactions. The Debt Capital Markets (DCM) unit also provides advisory related to capital acquisition via corporate bonds and fixed income instruments. Securities offers institutional clients services within research, brokerage and sales trading and equity capital market transactions (ECM). Securities also offers commissioned research to corporate clients. The Fixed Income unit offers bond research and sales.

Operations in:

Denmark, Finland, Norway
Sweden, the UK and the USA

Private Banking

Carnegie Private Banking provides comprehensive financial advisory to high net worth individuals, small businesses, institutions and foundations. The staff includes experts in areas including asset allocation, asset management, law, tax management, pensions and trading in securities and fixed-income bonds.

Operations in:

Denmark and Sweden.

Asset Management

Carnegie Asset Management offers long-term, sustainable and active asset management based on fundamental research through the two fund companies, Carnegie Fonder and Holberg. Carnegie Fonder, which operates in Sweden, and Holberg, which operates in Norway, are independent fund companies that offer everything from tailored full-spectrum solutions to individual fund products within traditional and alternative asset classes. Asset Management addresses institutions, partners and direct retail clients.

Operations in:

Norway and Sweden

FINANCIAL POSITION

The Group's financial position is strong, with persistently good profitability and low exposure to financial risks. About three quarters of consolidated risk-weighted assets are comprised of operational risk and structural risk arising from ownership of foreign subsidiaries. Risk in the trading book makes up less than one percent of consolidated risk-weighted assets.

The trend within Carnegie's credit portfolio remained stable with no actual credit losses or need for further allowances beyond the statistical allowances made under the applied ECL model, which resulted in a decreased credit loss allowance of SEK 1 million on the consolidated statement of comprehensive income. Previous reviews of the ECL models have been assessed as adequate and responsive to future outlooks affected by factors including negative macroeconomic outlooks.

The Group's liquidity investments continue to have a low risk profile, including low duration and exposure to institutions and instruments with low credit risk. Surplus liquidity is placed primarily with the Riksbank through deposits and certificates as well as government and municipal bonds and senior secured notes with a minimum AAA rating. All investments have short maturities.

The common equity Tier 1 capital ratio (CET1) and the capital adequacy ratio were both 18.6 percent (19.2). Further information and comparative figures are presented in Note 3. A more detailed description of Carnegie's capital adequacy and liquidity is available online at www.carnegie.se.

The Group's financing comprises equity and deposits from the public. Equity accounts for 24 percent (20), deposits from the public account for 67 percent (67) and other debt accounts for 9 percent (13) of the balance sheet total.

Overview of the parent company

Net sales in the parent company amounted to SEK 0 million (0). The operating loss was SEK -8 million (-44). Operating profit for the comparison period was reduced by non-recurring costs of SEK 39 million. Profit from financial items was SEK 311 million (613), including anticipated dividends and Group contributions from subsidiaries. The profit for the year was SEK 302 million (569).

There were no investments in fixed assets during the period (-). During the fiscal year, the Group's holdings in Opti have been transferred from the subsidiary Carnegie Investment Bank AB to the parent company. Liquidity, defined as cash and bank balances, was SEK 2 million (2) as of 31 December 2023. Equity amounted to SEK 3,408 million (3,317) as of 31 December 2023.

Risks and uncertainties

By nature of its business activities, the Carnegie Group is exposed to market, credit, liquidity and operational risks.

- Market risk is defined as the risk of loss due to, among else, the impact of movements in equity prices, interest rates or exchange rates.
- Credit risk is defined as the risk of loss due to failure of counterparties to fulfil contractual obligations. Credit risk originates mainly from lending to clients with shares as underlying collateral.
- Liquidity risks are linked to the need for, and access to, liquidity in operations.
- Operational risk refers to the risk of loss resulting from inadequate and/or failed processes or systems, the human factor, or external events.

There have been no material changes in the perspective above regarding risk and uncertainty factors. This is justified because the determined risk appetites in the above areas have proven to be sufficiently low to withstand the intermittently volatile equity market trend and the external factors that have been affected by inflation without increasing the loss level.

A more detailed description of risk and risk management at Carnegie is provided in the 2022 annual report and online at www.carnegie.se.

Related party transactions

Carnegie's transactions with related parties are reported in Note 32 of the 2022 annual report. Erik Penser Bank AB has become a shareholder in Carnegie Holding AB. Apart from this, no significant changes have occurred.

FINANCIAL STATEMENTS

Consolidated statements of comprehensive income

(SEKm)	Note	Jan-Dec	
		2023	2022
Commission income		3,938	4,531
Commission expenses		-844	-798
Net commission income		3,094	3,733
Interest income		525	189
Interest expenses		-228	-52
Net interest income		297	137
Net result from financial transactions		12	13
Operating income		3,402	3,883
Personnel expenses		-2,037	-2,208
Other administrative expenses		-829	-860
Depreciation and amortisation of tangible and intangible fixed assets		-125	-166
Operating expenses		-2,992	-3,234
Profit before credit losses		411	649
Credit Losses, net		1	3
Profit before tax		412	652
Tax		-65	-184
Profit for the year		347	467
Attributable to:			
Shareholders of the Parent company		329	453
Non-controlling interest		18	14
		347	467

Consolidated statements of other comprehensive income

SEKm	Note	Jan-Dec	
		2023	2022
Profit for the year		347	467
Other comprehensive income			
Items that have been transferred or can be transferred to the result (after tax)			
Translation of foreign operations		-34	45
Other comprehensive income for the year, after tax		-34	45
Total comprehensive income for the year		313	512
Attributable to:			
Shareholders of the Parent company		295	494
Non-controlling interest		17	18
		313	512

Consolidated statements of financial position

(SEKm)	Note	31 Dec	
		2023	2022
Assets			
Cash and bank deposits with central banks		1,823	1,287
Negotiable government securities		5,590	6,018
Loans to credit institutions ¹		1,791	3,086
Loans to the general public		3,577	3,173
Bonds and other interest-bearing securities		523	2,784
Shares and participations		584	613
Derivative instruments		0	8
Intangible assets		1,158	826
Tangible fixed assets		355	373
Current tax assets		151	68
Deferred tax assets		140	120
Other assets		363	565
Prepaid expenses and accrued income		270	201
Total assets		16,326	19,122
Liabilities and equity			
Liabilities to credit institutions		1	17
Deposits and borrowing from the general public		10,722	13,295
Short positions, shares		-	25
Derivative instruments		1	11
Current tax liabilities		77	45
Deferred tax liabilities		76	61
Other liabilities		710	764
Accrued expenses and prepaid income		845	1,094
Other provisions		66	66
Equity		3,829	3,744
Total liabilities and equity		16,326	19,122
Pledged assets and contingent liabilities			
Contingent liabilities for own debts		516	405
Other contingent liabilities		319	1,032
Contingent liabilities and guarantees		213	280

1) Whereof client funds SEK 96 million (YTD 643).

Consolidated cash flow statements

(SEKm)	Note	Jan-Dec	
		2023	2022
Profit before tax		412	652
Adjustments for non-cash items		122	166
Paid tax		-123	-270
Cash flow from operating activities before changes in working capital		411	547
Changes in working capital		-1,103	-323
Cash flow from operating activities		-692	224
Purchase of tangible and intangible assets		-17	-31
Acquisition of financial assets		-79	-277
Divestment of financial assets		52	66
Acquisition of business		20	-
Cash flow from (-used in) investing activities		-24	-241
Emission cost		-7	-
Dividend to shareholders of the parent company		-500	-1,391
Dividend to non-controlling interest		-16	-22
Amortisation of leasing		-83	-72
Cash flow from financing activities		-606	-1,485
Cash flow for the period		-1,322	-1,502
Cash and cash equivalents at the beginning of the period ¹		9,458	10,796
Exchange difference in cash and cash equivalents		18	165
Cash and cash equivalents at the end of the period		8,153	9,458

1) Excluding loans to credit institutions that are not payable on demand, cash and cash equivalents pledged as collateral and client funds.

Acquisition of business refers to Penser Bank's securities business, which was paid for with own shares. The cash flow refers to compensation received for acquired assets and liabilities reduced by acquisition costs.

Consolidated statements of changes in equity

SEKm	Attributable to parent company's shareholders				Total equity attributable to the parent company's owners	Non-controlling interest	Total Equity
	Share capital	Other contributed capital	Reserves	Retained profit including the periods result			
Equity, Opening balance, 1 January 2023	2	1,646	-43	2,052	3,657	87	3,744
Net Profit for the period				329	329	18	347
Other comprehensive income:							
Translation of foreign operations			-34		-34	-0	-34
Other comprehensive income for the year, net of tax			-34	329	295	17	313
Transactions with shareholders:							
New issue	0	289			289		289
Dividend to shareholders				-500	-500	-16	-516
Equity, Closing balance, 31 December 2023	2	1,934	-77	1,881	3,741	88	3,829

SEKm	Attributable to parent company's shareholders				Total equity attributable to the parent company's owners	Non-controlling interest	Total Equity
	Share capital	Other contributed capital	Reserves	Retained profit including the periods result			
Equity, Opening balance, 1 January 2022	239	1,721	-84	2,682	4,558	91	4,649
Net Profit for the period				453	453	14	467
Other comprehensive income:							
Translation of foreign operations			40		40	4	45
Other comprehensive income for the year, net of tax			40	453	493	19	512
Transactions with shareholders:							
Reduction of share capital	-237			237			
New issue	0				0		0
Changes in Group structure		-75		71	-4		-4
Dividend to shareholders				-1,391	-1,391	-22	-1,413
Equity, Closing balance, 31 December 2022	2	1,646	-43	2,052	3,657	87	3,744

Parent company income statement

(SEKm)	Note	Jan-Dec	
		2023	2022
Net sales		-	-
Other external expenses		-8	-33
Personnel expenses		-1	-11
Operating profit or loss		-8	-44
Interest income and similar income		0	0
Interest expenses and similar expenses		-0	-0
Result from participation in subsidiaries		321	613
Result from other securities and receivables that are fixed assets		-10	-0
Profit from financial items		311	613
Profit before tax		302	569
Tax		-0	-0
Profit for the year		302	569

Parent company statement of financial position

(SEKm)	Note	31 Dec	
		2023	2022
Assets			
Shares and participations in group companies		3,122	2,776
Holdings in other companies		193	7
Total financial non-current assets		3,316	2,783
Receivables from Group companies		377	613
Cash and cash equivalents		2	2
Tax receivable		0	0
Other current receivables		-	0
Total current assets		379	615
Total assets		3,695	3,398
Equity and liabilities			
Equity		3,408	3,317
Liabilities to Group companies		267	70
Current tax liabilities		0	0
Other current liabilities		19	10
Accrued expenses and prepaid income		1	2
Total equity and liabilities		3,695	3,398
Pledged assets and contingent liabilities			
Contingent liabilities		113	113

Parent company statement of changes in equity

(SEKm)	31 Dec	
	2023	2022
Equity - at beginning of year	3,317	2,985
Non-cash issue	-	963
New issue	289	-
Dividend to shareholders	-500	-1,200
Comprehensive income for the period	302	569
Equity - at end of the period	3,408	3,317

NOTES

Accounting policies

With respect to the Group, this report was prepared in compliance with IAS 34 Interim Reporting, the Swedish Act on Annual Reports of Credit Institutes and Securities Companies (ÅRKL 1995:1559) and the Regulations and general recommendations regarding annual reporting of credit institutions and securities companies issued by the Swedish Financial Supervisory Authority (FFFS 2008:25). RFR 1, Supplementary Accounting Regulations for Corporate Groups, issued by the Swedish Financial Accounting Standards Council, was also applied. The parent company's accounts were prepared in accordance with the Swedish Annual Accounts Act (1995:1554, ÅRL) and recommendation RFR 2 Accounting of Legal Entities issued by the Swedish Financial Accounting Standards Council.

The accounting policies and calculation methods applied in this report are identical to those applied in the 2022 annual report.

Please note that rounding in the report may result in amounts in SEK millions not agreeing when summed. Unless otherwise specified, all comparison figures in the report refer to the corresponding period in 2022.

Basis of consolidation

On 29 November 2022, Carnegie Holding AB acquired 93.75 percent of Carnegie Fonder AB (556266-6049), 70 percent of Holberg Fondsforvaltning A/S (982 076 218) and 100 percent of CAAM Fund Services AB (556648-6832) from Altor Fund III, i.e., the same fund that has control over Carnegie Holding AB. The transaction thus occurred between companies under common control. Altor Fund III had control over Carnegie

Holding AB and the acquired entities both before and after the transactions. IFRSs contain no guidance on accounting for business combinations under common control. In the absence of an IFRS that specifically applies to a transaction, management must, according to IAS 8, use its judgement in developing and applying an accounting policy that results in information that is relevant and reliable. An appropriate and generally accepted principle is to use previously recognised values in the selling group, which is the principle Carnegie Holding has chosen to apply in the consolidated accounts, with the following additions. According to Chapter 2, Section 6 of the Swedish Companies Act, the value of non-cash consideration may not be set higher than fair value, which has resulted in an impairment of goodwill attributable to Holberg Fondsforvaltning A/S in the amount of SEK 55 million. As regards Carnegie Fonder AB, the company was previously owned by Carnegie Holding AB during the period of 2010 through the end of 2016 and the calculation of the carrying amount was therefore based on the original acquisition analysis.

The comparative figures in the consolidated accounts have been restated to reflect the Group as if Carnegie had owned the acquired entities for the entire period presented in the closing report, regardless of the actual transaction date. Altor Fond III gained control over Holberg Fondsforvaltning A/S on 16 March 2021 and the company is therefore included in the comparative figures from that date.

New and amended accounting standards effective 1 January 2023

Amendments to accounting standards have had no impact on Carnegie's financial statements.

Note 1 Financial assets and liabilities

31 Dec 2023

(SEKm)	Amortized cost	Fair value through profit and loss	Non financial instruments	Total
Assets				
Cash and bank deposits with central banks	1,823	-	-	1,823
Negotiable government securities	5,590	-	-	5,590
Loans to credit institutions	1,791	-	-	1,791
Loans to the general public	3,577	-	-	3,577
Bonds and other interest-bearing securities	517	7	-	523
Shares and participations	-	584	-	584
Derivative instruments	-	0	-	0
Other assets	293	-	70	363
Prepaid expenses and accrued income	44	-	226	270
Total	13,635	591	296	14,522
Liabilities				
Liabilities to credit institutions	1	-	-	1
Deposits and borrowing from the general public	10,722	-	-	10,722
Short positions, shares	-	-	-	-
Derivative instruments	-	1	-	1
Other liabilities	525	-	184	710
Accrued expenses and prepaid income	845	-	-	845
Total	12,093	1	184	12,279

31 Dec 2022

(SEKm)	Amortized cost	Fair value through profit and loss	Non financial instruments	Total
Assets				
Cash and bank deposits with central banks	1,287	-	-	1,287
Negotiable government securities	6,018	-	-	6,018
Loans to credit institutions	3,086	-	-	3,086
Loans to the general public	3,173	-	-	3,173
Bonds and other interest-bearing securities	2,777	7	-	2,784
Shares and participations	-	613	-	613
Derivative instruments	-	8	-	8
Other assets	441	-	124	565
Prepaid expenses and accrued income	18	-	183	201
Total	16,799	628	307	17,735
Liabilities				
Liabilities to credit institutions	17	-	-	17
Deposits and borrowing from the general public	13,295	-	-	13,295
Short positions, shares	-	25	-	25
Derivative instruments	-	11	-	11
Other liabilities	678	-	86	764
Accrued expenses and prepaid income	1,094	-	-	1,094
Total	15,084	36	86	15,207

Determination of fair value of financial instruments

When the Group determines the fair value of financial instruments, various methods are used depending upon the degree of observability of market data upon measurement and market activity. A regulated or reliable marketplace on which quoted prices are readily available and demonstrate sufficient frequency is considered an active market. Activity is assessed on an ongoing basis by analysing factors such as differences in bid and ask prices

The methods are divided into three different levels:

1. Level 1 – Financial assets and financial liabilities valued on the basis of unadjusted quoted prices from an active market for identical assets or liabilities.
2. Level 2 – Financial assets and financial liabilities valued on the basis of either:
 - a. Adjusted quoted prices for similar assets or liabilities, or identical assets or liabilities from markets not deemed to be active; or

- b. Measurement models based primarily on directly or indirectly observable inputs. Observable inputs are derived using market data such as public information about actual events or transactions, which reflects the assumptions that market actors would use in pricing the asset or liability.
3. Level 3 – Financial assets and financial liabilities that are not valued based on observable market data.

The level in the fair value hierarchy at which a financial instrument is classified is determined based on the lowest level of inputs material to the fair value in its entirety.

In cases where there is no active market, fair value is determined using established measurement methods and models. In these cases, assumptions that cannot be derived directly from a market are applied. These assumptions are then based on experience and knowledge about measurement in the financial markets. The goal is, however, to always maximise the use of data from an active market. Where deemed necessary, relevant adjustments are made to reflect a fair value in order to correctly reflect the parameters contained in the financial instrument and which must be reflected in its measurement.

The fair value of financial instruments recognised at fair value through profit or loss is determined primarily based on quoted closing prices on the reporting date for the assets.

Currency forwards are measured at fair value by using the current exchange rate and interest level.

Derivatives linked to equities and equity indices, consisting of forward contracts and options listed on Nasdaq are measured primarily at the official market prices. If such are outdated, unavailable or deemed misleading, a theoretical measurement is used based on observable market data. The measurement is carried out according to generally accepted models.

Unlisted derivatives are found to a minor extent. Where possible, they are measured based on the issuer's price. If that is impossible, they are measured based on observable market data and generally accepted models.

For lending and borrowing at a variable rate of interest, including loans secured by financial instruments or residential property, which are recognised at amortised cost, the carrying amount is deemed to coincide with fair value. For financial assets and financial liabilities in the statement of financial position with a remaining maturity of less than six months, the carrying amount is deemed to reflect fair value.

31 Dec 2023

(SEKm)	Level 1	Level 2	Level 3	Total
Financial assets recognised at fair value				
Bonds and other interest-bearing securities	-	7	-	7
Shares and participations	376	1	207	584
Derivative instruments	-	-	-	-
Total	376	8	207	590
Financial assets recognised at fair value for disclosure purposes				
Cash and bank deposits with central banks	-	1,823	-	1,823
Negotiable government securities	-	5,584	-	5,584
Loans to credit institutions	-	1,791	-	1,791
Loans to the general public	-	3,577	-	3,577
Bonds and other interest-bearing securities	517	-	-	517
Other assets	-	293	-	293
Accrued income	-	44	-	44
Total	517	13,112	-	13,629
Financial liabilities recognised at fair value				
Short positions, shares	-	-	-	-
Derivative instruments	-	0	1	1
Total	-	0	1	1
Financial liabilities recognised at fair value for disclosure purposes				
Liabilities to credit institutions	-	1	-	1
Deposits and borrowing from the general pub	-	10,722	-	10,722
Other liabilities	-	525	-	525
Accrued cexpenses	-	845	-	845
Total	-	12,093	-	12,093

31 Dec 2022

(SEKm)	Level 1	Level 2	Level 3	Total
Financial assets recognised at fair value				
Bonds and other interest-bearing securities	-	7	-	7
Shares and participations	398	0	215	613
Derivative instruments	-	8	-	8
Total	398	16	214	628
Financial assets recognised at fair value for disclosure purposes				
Cash and bank deposits with central banks	-	1,287	-	1,287
Negotiable government securities	-	6,081	-	6,081
Loans to credit institutions	-	3,086	-	3,086
Loans to the general public	-	3,173	-	3,173
Bonds and other interest-bearing securities	2,741	-	-	2,741
Other assets	-	441	-	441
Accrued income	-	18	-	18
Total	2,741	14,086	-	16,827
Financial liabilities recognised at fair value				
Short positions, shares	25	-	-	25
Derivative instruments	-	11	-	11
Total	25	11	-	36
Financial liabilities recognised at fair value for disclosure purposes				
Liabilities to credit institutions	-	17	-	17
Deposits and borrowing from the general pub	-	13,295	-	13,295
Other liabilities	-	678	-	678
Accrued cexpenses	-	1,094	-	1,094
Total	-	15,084	-	15,084

Description of measurement levels

- Level 1 mainly contains shares and municipal bonds for which the quoted price was used in the measurement.
- Level 1 mainly contains derivative instruments and interest-bearing securities. Derivatives linked to equities and equity indices are measured using generally accepted models and based on observable market data. In other cases, issuer prices or the last price paid are used.
- Level 3 contains financial instruments where internal assumptions have material impact on the calculation of fair value.

Transfers between levels

There have been no transfers between the levels during the year or during the comparison periods.

Changes in Level 3 (SEKm)	Shares and participations
Financial assets	
Opening balance, 1 January 2023	214
Profit and loss in the Income Statment	-1
Purchases	2
Divestments	-8
Exchange rate difference	-0
Closing balance, 31 December 2023	207

Note 2 Offsetting of financial assets and liabilities

The table below presents the financial assets and liabilities that are presented net in the balance sheet. At the closing date, these financial instruments comprised trade and client

receivables and trade and client payables. As the scope of financial assets and liabilities for which gross accounting is applied in the statement of financial position, but which are subject to legally binding master netting agreements or the like, is marginal, these disclosures have been omitted.

(SEKm)	31 Dec 2023		
	Financial assets and liabilities subject to offsetting		Net amounts in balance Sheet
	Gross amounts	Offset	
Assets			
Trade and client receivables ¹	1 830	-1 661	170
Liabilities			
Trade and client payables ²	1 685	-1 661	24

(SEKm)	31 Dec 2022		
	Financial assets and liabilities subject to offsetting		Net amounts in balance Sheet
	Gross amounts	Offset	
Assets			
Trade and client receivables ¹	2 629	-2 286	342
Liabilities			
Trade and client payables ²	2 325	-2 286	38

1) Included in the Consolidated statements of Financial position item Other assets.

2) Included in the Consolidated statements of Financial position item Other liabilities.

Note 3 Capital adequacy

(SEKm)	31 Dec	
	2023	2022
Capital base		
Equity instruments and associated premium reserve	1,937	1,646
Retained earnings and reserves	1,963	2,142
Other comprehensive income	-71	-43
Less planned dividend	-300	-500
Goodwill and intangible assets	-1,089	-766
Deferred tax assets	-22	-7
Non-controlling interest of Equity	-88	-87
Prudent valuation	-1	-1
Common Equity Tier 1 capital	2,329	2,383
Tier 1 capital	2,329	2,383
Capital base for capital adequacy purposes	2,329	2,383
Capital requirement		
Credit risk (standardised method)	251	261
Trading book risk	7	5
Currency risk	52	80
Operational risk (base method)	693	650
Total capital requirement	1,003	995
Surplus capital	1,326	1,388
Financial position		
Equity, SEKm	3,829	3,744
Common Equity Tier 1 capital, SEKm	2,329	2,383
Capital base, SEKm	2,329	2,383
Risk-weighted assets, SEKm	12,535	12,437
Common Equity Tier 1 capital ratio, %	18.6	19.2
Capital adequacy ratio, %	18.6	19.2

Multi-year review

SEKm	2023		2022		2021		2020	
	H2	H1	H2	H1	H2	H1	H2	H1
Operating income	1,596	1,807	1,783	2,100	2,777	3,110	2,155	1,638
Personnel expenses	-1,032	-1,005	-1,040	-1,168	-1,426	-1,582	-1,118	-958
Other expenses	-465	-489	-563	-463	-522	-354	-354	-308
Expenses before credit losses	-1,497	-1,494	-1,603	-1,631	-1,948	-1,936	-1,472	-1,266
Profit before credit losses	98	313	180	469	829	1,173	683	372
Credit Losses, net	1	-1	5	-2	-6	-2	-0	0
Write-down of financial assets	-	-	-15	-	-	-	-	-
Profit before tax	100	312	184	467	823	1,172	683	372
Tax	6	-71	-86	-98	-170	-257	-148	-86
Profit for the year	106	241	98	369	652	914	535	286
Financial key data								
C/I ratio, %	94	83	90	78	70	62	68	77
Income per employee	2	2	2	3	4	4	3	3
Expenses per employees	2	2	2	2	3	3	2	2
Asset under management, SEK bn	353	317	298	299	413	370	261	223
Return on equity, %	10	9	12	24	39	43	30	20
Adjusted Return on equity, %	9	6	15	26	39	44	30	14
Total assets	16,326	15,216	19,122	21,721	22,750	20,085	15,616	16,644
Financial position								
Common Equity Tier 1 capital ratio, % ¹	18.6	18.9	19.2	18.6	19.2	21.4	25.2	21.7
Equity	3,829	3,448	3,744	3,614	4,649	3,968	3,252	2,729
Employees								
Average number of employees	809	806	787	771	736	711	661	654
Number of employees at the end of the period	871	802	808	774	773	734	676	653

1) Period H1'20 and H1'21 refers to Carnegie Group excluding Fund companies.

DEFINITIONS – ALTERNATIVE PERFORMANCE MEASURES*

*C/I ratio**

Total costs before credit losses as a percentage of total revenues.

Revenue per employee

Total revenue for the period divided by the average number of employees.

Costs per employee

Total costs for the period divided by the average number of employees.

Capital requirements

A measure of how much capital an institution must have given the risks involved in the business.

Common equity Tier 1 capital ratio

Total regulatory common equity Tier 1 capital as a percentage of risk-weighted assets.

*Capital adequacy**

Total regulatory capital base as a percentage of risk-weighted assets.

Number of FTE employees at end of period

The number of annual employees (full-time equivalents) at the end of the period.

Average number of employees

The number of employees at the end of each month divided by number of months.

*Return on equity**

Twelve months' rolling profit or loss divided by average equity, adjusted for the effect of deferred tax on loss carryforwards.

*Adjusted return on equity**

Thirteen months' rolling profit or loss divided by average equity, adjusted for items affecting comparability, amortisation and depreciation of acquired assets and the effect of deferred tax on loss carryforwards.

Supplementary information

Operating revenues

The difference between total operating revenue and the sum of all business areas' operating revenues refers primarily to revenues generated by the Group Treasury Department.

*Alternative Performance Measures, APM, are financial measures of historical or future financial performance, financial position, or cash flows that are not defined in the applicable reporting framework (IFRS) or in the EU Capital Requirements Directive (CRD)/Capital Requirements Regulation (CRR). Carnegie uses APM when it is relevant to track and describe Carnegie's financial performance and position and to provide further relevant information and tools to enable analysis of the same. APMs that describe the C/I ratio and return on equity measures, provide information about Carnegie's earnings capacity and efficiency from various angles. These measures may differ from similar key data presented by other entities. How the performance measures are calculated is noted above.

This report has not been reviewed by the company's auditors.

Carnegie Holding AB

Stockholm, 22 March 2024

Tony Elofsson

Chief Executive Officer

CLIENT RECOGNITION AND AWARDS

- Carnegie was ranked highest among international investors in Nordic equity research and sales in 2023 (Kantar Sifo Prospera, January 2024).
- Top ranking from clients in Sweden for Corporate Finance ECM and M&A (Kantar Sifo Prospera, December 2023).
- For the eighth year running, Carnegie topped the adviser rankings in the Nordic market within Corporate Finance, M&A and ECM transactions (Kantar Sifo Prospera, December 2023).
- Carnegie Fonder was ranked first in the Prospera Fund Distributors & Selectors survey (Kantar Sifo Prospera, December 2023).
- Institutional investors ranked Carnegie highest in Swedish equity research and sales for the eighth consecutive year (Kantar Sifo Prospera, November 2023)
- Institutional investors in the Swedish market assessed Carnegie's Back Office highest among all firms in the market (Kantar Sifo Prospera, Oct 2023).
- Euromoney Award of Excellence (Euromoney, July 2023)
- Best Adviser in Sweden for DCM High Yield Issuers according to an independent client survey (Kantar Sifo Prospera, June 2023)
- Best Research House in Sweden for the tenth consecutive year (Financial Hearing, June 2023)
- Euromoney Award for Excellence and Best Private Bank in Sweden (Euromoney, March 2023).

